(a) whether it is a fact that the Managing Director of STDC had signed a collaboration agreement with a Lon don-based unknown firm owned by a NRi in October, 1984 for setting up a Restaurant in London;

(b) whether such agreements are used as a convenient mode of securing loans from the Indian banks; and

(c) what progress has been made so far under the said agreements and what safeguards are used by the ITDC against misuse of such agreements?

T.HE MINISTER OF TOURISM cMUFTi MOHD. SAYEED): (a) On behalf of ITDC, Sr. Vice President (Hotels) had signed an agreement with Frontier of Inaai Limited (FIL)_ a registered 'company in London under the laws of United Kingdom for providing technical consultancy and managerial services for setting up a Speciality Indian Restaurant in London, NO financial participation by ITDC was envisaged in the agreement.

(b) No, Sir.

(c) For want of a suitable site, no consultancy services have been rendered by ITDC under the agreement with Frontier of India Limited (FIL).

Reopening of Akbar Hotel, New Delhi

1G04. SHRI SURA J PRASAD: Will the Minister of TOURISM be pleased to state;

(a) whether Government are considering the re-opening of ITDC's Akbar Hotel New Delhi to mitigate the growing demand of the tourist traffic in the Capital;

(b whether the lease agreement of Akbar Hotel has been transferred to the Ministry of External Affairs by NDMC/jGoverriment without compensating the cost of investment made by ITDC; and

(c) if the answer to part (b) above be in the affirmative what is the justification therefor?

THE MINISTER OF TOURISM (MUFTj MOHD. SAYEED); (a) •The Ministry of Tourism had requested the Ministry of External Affairs for transfer of Akbar Hotel back to ITDC. However, Ministry of External Affairs has expressed its inability to vacate Akbar Hotel for the present.

(b) The Draft Lease Agreement is in the process of being finalised by the concerned Ministries. ITDC has preferred claims for compensation so far to the Ministry of External Affairs for Rs. 2553.58 lakhs and Rs. 3650 lakhs.

(c) Does not arise.

Introduction of 'Product Liability Insurance Scheme' by the US Administration

1605. SHRI N. E BALARAM:
SHRI GURUDAS DAS GUPTA:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the US Administration has introduced a •Product Liability Insurance Scheme' whereby Indan companies have to pay eight dollars per tyre against an earlier rate of 80 cents;

(b) if so whether this discriminatory action is for avenging Indian overnment's claims on Union Carbide bide case;

(c) whether Government have taken up the matter with the US Administration; and

(d) if so, with what resuls?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) The US Administration has introauc-ed product liability insurance on certain products including tyres marketed in USA irrespective of the country of manufacture which has resulted in an increase in the premium rates.

(b) No, Sir.

(c) and (d) As the policy is not coun-tey specific, the question of taking the matter . with Us Administration does not arise.

Misuse of staff cars by Officers of !TDC

1606. SHRI CHATURANAN MISH-RA: Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that Managers and Vice-Presidents of ITDC are using Chauffeur-driven staff cars for self and their families throughout the year without paying any tax for this extraordinary facility to Government;

(b) if so, what are the details of such staff cars being used as on March, 1987;

(c) what are the annual expenses on the running of such staff cars including salary, overtime etc., during the last three years;

(d) whether this facility is in conformity with the guidelines laid down by Government for public sector|Government executives; and

(e) if not, what steps have been taken to make rcoveries from the officials misusing official staff cars?

THE MINISTER OF TOURISM (MUFTi MOHD. SAYEED): (a) to (e) No, Sir. For achieving operational and administrative efficiency staff cars in ITDC are provided in each division in the corporate office as also in units as per requirement for official use by air the eligible offi~ cials. The Senior Vice Presidents and Vice Presidents are permitted the facility of being picked up and dropped from their residence where these are allowed to be parked to save on PCL and dead-milage *vis-a-viz* their parking at the ITDC Garage presently located in Hotel Samrat. There is no provision in the Income Tax Act for deduction of tax for this facility. The respective Head of Division/Unit is the .controlling officer of the staff cars attached to the Division|Unit. The use staff oars for personal purposes is allowed on payment which is to be made every month by the user.

(Rs. in lakhs)

Year	Expenses on*	
	Running	Repairs & Maintenance
1983-84	6.92	5.45
1984-95	6.16	9.70
1885-86	6.48	9.60

♦Exclusive of salary|wages and other fringe benefits given to the drivers which are booked under the respective accounting head.

Manufacture of atomic bomb by Pakistan

1607. SHRI SUKOMAL SEN:
SHRI SUBAS MOHANTY;

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government have approached the United States for cutting the flow of foreign aid to Pakistan in terms of Symington Amendment in view *of* the recent news that Pakistan is already in possession of atomic bomb or getting close to posses it:

(b) if so, the details thereof indicating the reaction of the U. S. Government thereto; and

(c) if not, what line of action Government are contemplating to desist the U.S. Government from supplying future aid to Pakistan so that the latter'; nuclear ambitions are thwarted?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALErRO); (a) Government have repeatedly urged the US Government to use its influence with Pakistan and available means under US laws such as the Symington and Glenn